# ASSEMBLY, No. 346

# **STATE OF NEW JERSEY**

## 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by: Assemblyman SEAN T. KEAN District 30 (Monmouth and Ocean)

#### **SYNOPSIS**

Requires electric public utilities to implement flood mitigation plans for certain electric distribution substations; prohibits rate increase pending implementation of flood mitigation plans.

### **CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning electric public utility flood mitigation plans and supplementing Title 48 of the Revised Statutes.

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**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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1. As used in P.L. , c. (C. ) (pending before the Legislature as this bill):

"Board" means the Board of Public Utilities.

"Electric distribution substation" means, with respect to an electric public utility, an electric substation which takes electricity from the transmission grid and converts it to a lower voltage for the purpose of distribution to end-use customers in the State through one or more distribution lines having a rating of less than 69 kilovolts, or such rating as the board to determines to be at the distribution level.

"Electric public utility" or "utility" means a public utility, as that term is defined in R.S.48:2-13, that transmits and distributes electricity to end users within this State.

"Sustained outage" is the interruption of electric service for a period of not less than 24 hours.

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- a. Within 120 days of the board's promulgation of the rules and regulations establishing flood-proof design regulations pursuant to section 4 of P.L., c. (C. ) (pending before the Legislature as this bill), each electric public utility in the State having ownership or control of an electric distribution substation which within years prior to the effective date of 10 P.L., c. (C.) (pending before the Legislature as this bill), experienced flooding that has resulted in a sustained outage to at least five percent of the end-use customers of any municipality located within the electric public utility's service territory, or five percent of the end-use customers of any county located within an electric public utility's service territory if such outage has effected end-use customers in more than one municipality, shall prepare and submit to the board, a plan to mitigate flood damage to the substation in accordance with the flood-proof design regulations promulgated by the board pursuant to section 4 of ) (pending before the Legislature as this bill). P.L., c. (C.
- b. Within 180 days of receipt of a flood damage mitigation plan pursuant to subsection a. of this section, the board shall determine whether the plan is feasible and whether it shall be implemented with or without recommendations. Upon a determination that the plan shall be implemented, the board shall order that the plan be implemented and flood damage mitigation at the electric distribution substation described in the plan shall be completed within one calendar year from such order, which order shall include any recommendations for amendments or additions to the plan.

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3. Notwithstanding any law, rule, regulation, or order to the contrary, the board shall not grant any petition of an electric public utility for an adjustment in existing tariffs which proposes to increase individual rates, joint rates, tolls, or charges, or schedules thereof, until the utility completes implementation of the flood damage mitigation plan pursuant to a board order issued pursuant to subsection b. of section 2 of P.L. , c. (C. ) (pending before the Legislature as this bill).

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4. Within 120 days of the effective date of ) (pending before the Legislature as this bill), the board shall, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and regulations establishing flood-proof design regulations applicable to electric distribution substations subject to the requirements of section 1 of P.L., c. (C. ) (pending before the Legislature as this bill), standards, and classification of property and equipment to be determined by the board as being an electric distribution substation, and any other such rules and regulations as effectuate necessary the may be to purposes , c. P.L. (C. ) (pending before the Legislature as this bill).

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5. This act shall take effect immediately.

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### STATEMENT

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This bill directs the Board of Public Utilities (BPU), within 120 days of the effective date of the bill, to promulgate electric flood-proof design regulations for electric distribution substations which have experienced flooding in the 10 years preceding the effective date of the bill, which flooding has resulted in outages of 24 hours or more for at least five percent of the end-use customers of a municipality or county located within an electric public utility's service territory.

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The bill further requires, within 120 days of the promulgation of the BPU regulations, each electric public utility in the State to submit a flood damage mitigation plan in accordance with such regulations. The BPU is then required, 180 days after submission of the plan, to determine whether the plan is feasible, then, upon such determination, to order, with or without recommendations, implementation of the plan. No increase in rates shall be granted to an electric public utility until a BPU-ordered plan is implemented pursuant to the provisions of the bill.